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June 23, 2025

VIA ECF

Hon. Nusrat J. Choudhury
United States District Court for the Eastern
District of New York
100 Federal Plaza
Central Islip, NY 11722

Re: Velocity Capital Group LLC v. Hussian College Inc., et al., 23-cv-05562

Dear Judge Choudhury:

We represent Defendants Hussian College, Inc., Joshua David Figuli and David J. Figuli (collectively, “Defendants”) in the above referenced action and submit this joint status letter on behalf of all parties pursuant to the Court’s instruction at the May 23, 2025, pre-motion conference. The parties’ respective position statements below, are provided by counsel for each party.

Defendants Position Statement

Defendants reached agreement with Arena Investors, L.P. (“Arena”) with respect to a confidentiality stipulation. Velocity did not participate in the discussions and on June 16, 2025, Arena submitted the proposed stipulation to the Magistrate Tiscione for entry as an Order. On June 18, 2025, Magistrate Tiscione ordered Velocity Capital Group LLC (“Velocity”) to state its position with respect to the stipulation by June 23, 2025. Although we believe that Velocity consents to the confidentiality stipulation, as of the submission of this letter, Velocity has not informed the Court of its position.

Arena has stated that it has documents to share with Defendants that it believes will cause Defendants to agree that Arena is not properly a Defendant in this case. Arena has conditioned providing those documents to Defendants on (1) entry of a confidentiality stipulation in this case and (2) Velocity’s consent to sharing those documents. To date, Arena has not provided the documents. As a result, Arena and the Hussian Parties have not had a substantive settlement discussion. Because Arena has indicated that it is not interested in even contributing its cost of

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defense to a settlement, Hussian does not believe that settlement conversations with Arena would be fruitful at this time.

Velocity and Defendants have had several settlement communications and although neither party is insisting on a maximalist position, the parties' positions remain widely separated.

Arena's Position Statement

Third-party defendant Arena remains willing to engage in discussions with the primary parties to resolve the third-party RICO claims asserted against it by Hussian College, but has not yet received a demand. Since the pre-motion conference was held in front of Your Honor, Arena prepared, negotiated and circulated a Confidentiality Agreement that has been submitted to Magistrate Judge Tiscione. Execution of the Confidentiality Agreement will facilitate the production of the credit agreement between Velocity and Arena which will either guide any settlement negotiations moving forward or lead to the dismissal of Arena from this case entirely. It is for these reasons, in conjunction with those stated at the pre-motion conference and the fact that Velocity should indemnify Arena, that Arena has offered no settlement payment. Arena is not interested in a cost of defense settlement.

Velocity's Position Statement

Since the pre-motion conference on May 23, 2025, Plaintiff Velocity Capital Group LLC ("Velocity") and third-party Defendant Jacob Avigdor ("Mr. Avigdor") have conferred with the defendants and exchanged settlement figures but remain far apart and have been unable to resolve the matter. Velocity and Mr. Avigdor remain open to additional discussion of settlement, which perhaps can be facilitated through an additional settlement conference with Magistrate Judge Tiscione.

Respectfully submitted,

/s/ Jeffrey M. Greilsheimer

cc: Counsel of record via PACER